



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-24]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 19-24 with attached Policy Justification and Sensitivity of Technology.

Dated: July 22, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

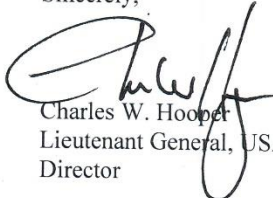
The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

JUN 28 2019

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-24 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Germany, through the NATO Support and Procurement Agency (NSPA) acting as its Agent, for defense articles and services estimated to cost \$122.86 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,



Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 19-24

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: The Government of Germany through the NATO Support and Procurement Agency (NSPA) acting as its Agent
- (ii) Total Estimated Value:
- | | |
|--------------------------|-------------------------|
| Major Defense Equipment* | \$105.23 million |
| Other | <u>\$ 17.63 million</u> |
| TOTAL | \$122.86 million |
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
- Major Defense Equipment (MDE):
Up to ninety-one (91) AGM-88E Advanced Anti-Radiation Guided Missile (AARGM) Tactical Missiles
Up to eight (8) AGM-88E AARGM Captive Air Training Missiles (CATM)
- Non-MDE:
Also included are up to six (6) telemetry/flight termination systems, Flight Data Recorders (FDR), U.S. Government and contractor engineering, technical and logistics support services and miscellaneous support equipment, and other related elements of logistical and program support.
- (iv) Military Department: Navy
- (v) Prior Related Cases, if any: GY-P-GLC, GY-P-GLO, GY-P-GPN, GY-P-ALB
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Annex Attached
- (viii) Date Report Delivered to Congress: June 28, 2019

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Germany – AGM-88E AARGM Missiles

The Government of Germany has requested to buy, through the NATO Support and Procurement Agency (NSPA) acting as its Agent, up to ninety-one (91) AGM-88E Advanced Anti-Radiation Guided Missile (AARGM) Tactical Missiles, and up to eight (8) AGM-88E AARGM Captive Air Training Missiles (CATM). Also included are up to six (6) telemetry/flight termination systems, Flight Data Recorders (FDR), U.S. Government and contractor engineering, technical and logistics support services and miscellaneous support equipment, and other related elements of logistical and program support. The total estimated cost is \$122.86 million.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a NATO ally, which is an important force for political and economic stability in Europe. It is vital to the U.S. national interests that Germany develops and maintains a strong and ready self-defense capability.

The AGM-88E AARGM is an upgrade to the older generation AGM-88B High-Speed Anti-Radiation Missile (HARM), which Germany first purchased in 1988. The AGM-88E AARGMs in this case will be manufactured using a mixture of new components and older sections from Germany's existing stock of AGM-88Bs provided as Government Furnished Equipment (GFE). Germany will have no difficulty absorbing this equipment and support into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

Germany has requested that the NSPA act as its agent for the FMS procurement and case management to support the AARGM program. The principal U.S. contractor will be NGIS, Ridgecrest, CA. The integration efforts will be via a Direct Commercial Sale (DCS), initiated by the Luftwaffe, between the Tornado Management Agency (NETMA) and the AARGM Original Equipment Manufacturer, Northrop Grumman Innovation Systems, formerly known as Orbital ATK (OA). There are no known offset agreements associated with this potential sale.

Implementation of this proposed sale will require five U.S. government personnel and three contractor representatives to travel to Germany to provide Program Management Reviews. Two visits are planned per year over the next five years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 19-24

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The AGM-88E Advanced Anti-Radiation Guided Missile (AARGM) AGM-88E weapon system is an air-to-ground missile intended to suppress or destroy land or sea-based radar emitters associated with enemy air defenses and provides tactical air forces with a lethal countermeasure to enemy radar directed, surface-to-air missiles, and air defense artillery weapons systems. Destruction or suppression of enemy radars denies the enemy the use of air defense systems, thereby improving the survivability of our tactical aircraft. It uses a multimode seeker that incorporates global positioning system/inertial measurement unit (GPS/IMU) midcourse guidance, a radio frequency (RF) radiation homing receiver, an active millimeter. When assembled, the AGM-88E AARGM is classified SECRET. The AARGM Guidance Section (seeker hardware) and Control Section with the Target Detector is classified CONFIDENTIAL.
 2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.
 3. A determination has been made that the Government of Germany can provide substantially the same degree of protection for the technology being released as the U.S. Government. This sale supports the U.S. foreign policy and national security objectives as outlined in the Policy Justification.
 4. All defense articles and services listed in this transmittal have been authorized for release and export to Germany.
- [FR Doc. 2019-15839 Filed: 7/24/2019 8:45 am; Publication Date: 7/25/2019]